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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/832,437	04/11/2001	Marc Alaia	3660P019DC	3808

7590 07/18/2006

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EXAMINER

MILEF, ELDA G

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 07/18/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/832,437	Applicant(s) ALAIA ET AL.	
	Examiner Elda Milef	Art Unit 3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 25 April 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 89,91-94,96-99,103-115,119-132,134,135,137 and 138 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 89,91-94,96-99,103-115,119-132,134,135,137 and 138 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date <u>4/25/2006</u> | 6) <input type="checkbox"/> Other: _____ |

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DETAILED ACTION

Claim Objections

1. Claim 107 is objected to because of the following informalities: The claim should be (original) and not (currently amended). Appropriate correction is required.

2. Claim 119 is objected to because of the following informalities: "The machine-readable medium of claim 118" should be --The machine readable medium of claim 115--. Appropriate correction is required.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

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3. Claims 89, 91, 94, 96, 99, 103-115, 119-132, 134-135 are rejected under 35 U.S.C. 102(e) as being anticipated by Fraser (US Patent No. 5,905,974).

Re claims 89, 91: Fraser disclose:

setting a bid status to an open status for a lot with a closing time ("The core state is known as the Bid-Offer" State and reflects the open status of the market.")-see col. 8 lines 39-41 ;

setting said bid status to a pending status for said lot at said closing time ("The When State is triggered...In particular, as noted above, the uncleared status exists for a defined interval-controlled by a computer driven timer...During When State processing, the system displays the original Makers-existing with Bid/Offers outstanding prior to the entry of the new Aggressor-and the new Trader(s) entering via hit or lift commands on the pending uncleared Bid/Offer...Once When State processing has been initiated, no trader entries from the passive side are permitted, and customers are blocked from entering on the active side...")-see col. 10 line 62-col. 11 line 58.

determining whether to change said bid status for said lot; and setting said bid status in accordance with said determination. ("As inputs are entered, a state change is

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triggered and processing shifts to the paradigms associated with (i) When, (ii) Workup, (iii) Workdown, and (iv) Second Look..." - see col. 8 lines 53-61. Also, see cols. 9-14.

Re claims 94,96: Further a machine-readable medium system would have been necessary to perform the method of previously rejected claims 89 and 91 and are therefore rejected using the same art and rationale.

Re claim 99: Fraser disclose the claim limitations as in claim 89 above, further Fraser disclose determining whether a return to open trigger has occurred. Fraser shows the state of the auction moving from a "When State" in which no trader entries are permitted and customers are blocked from entering on the active side...Entries on uncleared (active) side will come from new traders...which drive the system back to the BID/Offer State" or open state. -see col. 11, lines 26-44, and cols. 11-17.

setting said bid status to a new status according to said determination ("The interrelationship of these five system "states" is depicted in FIG. 4. Initial trading is always predicated on the Bid/Offer State, with the sequence process, assessing system inputs for a change of current state. As inputs are entered, a state change is triggered and processing shifts to the paradigms associated with (i) When, (ii) Workup,

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(iii) Workdown, and (iv) Second Look. As each state is entered the protocols are shifted and new rules to trading apply.")-see col. 8 lines 54-61.

wherein the sponsor and the bidders are coupled electronically over a communications network during the auction ("trading activity is accomplished to Communication Server 30...communication lines")-see col. 7, lines 33-39.

Re claim 103: Fraser disclose wherein said pending status indicates that bids are not currently being accepted, but that the bid status may change such that bids will again be accepted. ("During When State processing...pending uncleared Bid/offer...Once When State processing has been initiated , no trader entries from the passive side are permitted and customers are blocked from entering on the active side...Entries on the uncleared (active) side drive the system back to the Bid/Offer State preceding a trade.")-see col. 11, lines 10-44 through col.-12.

Re claim 104: Fraser disclose said new status is a closed for bidding status.-see ("When State"), col. 11, lines 26-67.

Re claim 105: Fraser disclose wherein said new status is an available for bidding status. ("drive the system back to the Bid/Offer State preceding a trade")-see col. 11

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Re claim 106: Fraser discloses said new status is the open status because various "states" of the auction are disclosed and ("Initial trading is always predicted on the Bid/Offer State, with the sequence process, assessing system inputs for a change of the current state... As each state is entered, the protocols are shifted and new rules to trading apply.")-see col. 8, lines 38-61.

Re claims 107 and 108: Fraser disclose:

determining whether an automatic close flag is set to Yes; and determining to set said bid status to closed if said automatic close flag is set to Yes and an intervening condition does not occur prior to expiration of a pending interval or the intervening condition does occur prior to expiration of a pending interval. ("In particular, as noted above, the uncleared status exists for a defined interval--controlled by computer driven timer. It is only during this interval that a When State can be instituted, which can then only last until resolved by either the action of the original Makers on the passive side, or by the expiration of the interval timer within system logic.")-see col. 11, lines 4-9.

Re claims 109 and 110: Fraser disclose:

determining whether an automatic close flag is set to Yes; and determining to set said bid status to closed if said

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automatic close flag is set to No and an intervening condition does not occur or does occur prior to expiration of a pending interval. ("When state processing " and "second interval timer")-see cols 11 and 12.

Re claims 111 and 112: Fraser disclose:

determining whether an automatic close flag is set to Yes; and determining to set said bid status to an available for bidding status if said automatic close flag is set to Yes and an intervening condition occurs or does not occur prior to expiration of a pending interval. ("When state" and "drive the system back to the Bid/Offer State...)-see col. 11 and 12, and col. 11, lines 26-35.

Re claims 113 and 114: Fraser disclose:

determining whether an automatic close flag is set to Yes; and determining to set said bid status to an available for bidding status if said automatic close flag is set to No and an intervening condition occurs or does not occur prior to expiration of a pending interval. ("When state" and "drive the system back to the Bid/Offer State...)-see col. 11 and 12, and col. 11, lines 26-35.

Re claims 115, 119-130: Further a machine-readable medium would have been necessary to perform the method of previously

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rejected claims 99, 103-114 and are therefore rejected using the same art and rationale.

Re claim 131: Fraser disclose:

setting a bidding status for said lot to an open status indicating that bids will be received from bidders on said lot ("The core state is known as the Bid-Offer" State and reflects the open status of the market.")-see col. 8 lines 39-41;

receiving bids from bidders for said lot -see col. 4 lines 5-8;

at said closing time, changing said bidding status for said lot to a pending status indicating that bids will not be accepted on said lot but that said bidding status may subsequently be changed to a status indicating that bids will be received ("The When State is triggered...In particular, as noted above, the uncleared status exists for a defined interval-controlled by a computer driven timer...During When State processing, the system displays the original Makers-existing with Bid/Offers outstanding prior to the entry of the new Aggressor-and the new Trader(s) entering via hit or lift commands on the pending uncleared Bid/Offer...Once When State processing has been initiated, no trader entries from the passive side are permitted, and customers are blocked from entering on the active side...Entries on the uncleared (active

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side will come from new traders, extant traders, or the original makers which drive the system back to the Bid/Offer State preceding a trade.")-see col. 10 line 62-col. 11 line 58;

determining whether a return to open trigger event has occurred within a predefined time period following the changing of said bidding status from said open status to said pending status. ("Once When State processing has been initiated, no trader entries from the passive side are permitted and customers are blocked from entering...Entries ...will come which drive the system back to the Bid/Offer State preceding a trade.")-see col. 11, lines 26-34 and ("second interval")-cols. 11-12;

if said return to open trigger event has not occurred, setting said bidding status to a close status indicating that bidding for said lot is closed ("the system determines if these makers intercept the Aggressor before the time interval expires. If not...the new Aggressor is set, block 870, and logic continues to the next State, block 880.")-see col. 11, lines 53-58, and cols. 11-12;

if said return to open trigger event has occurred, setting said bidding status to an open status indicating that said lot is open for bidding.-see cols 11-12.

Re claim 132: Fraser disclose wherein said determining comprises receiving a communication from a bidder indicating a

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request for an opportunity for further bidding. ("When State is triggered...")-see col. 10, lines 61-67 through col. 11, lines 1-56.

Re claims 134, 135: Further a machine-readable medium would have been necessary to perform the method of previously rejected claims 131, 132 and are therefore rejected using the same art and rationale.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.

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3. Resolving the level of ordinary skill in the pertinent art.

4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

4. Claims 92,93,97,98 are rejected under 35 U.S.C.

103(a) as being unpatentable over Fraser in view of Fisher (US Patent No. 5,835,896).

Re claims 92, 93: Fraser do not specifically disclose receiving message to set said bid status to close or to open; and determining to set bid status to close or to open in accordance with said message. Fisher however, teaches email notification by electronic mail in col. 7-8. It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Fraser to include receiving an electronic message to indicate if a an available lot should be closed or opened in order to update the auction system as well as provide the customer with bid status information.

Re claims 97, 98: Further a system would have been necessary to perform the method of previously rejected claims 92, 93 and are therefore rejected using the same art and rationale.

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5. Claims 137-138 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fisher in view of Fraser.

Re claim 137: Fisher disclose:

setting a first closing time for a first lot, and a second closing time for a second lot, wherein said first closing time precedes said second closing time -see cols. 7 and 8, in particular col. 8, lines 5-14 ("Auction manager 26 is also responsible for opening and closing auctions. This entails making merchandise lots available for bidding by customers and disabling their associated buy or bid features on the merchandise pages that have been posted to potential bidders but have closed. When auction manager 26 determines that a new lot should be opened for bidding or an available lot should be closed, it instructs merchandise catalog page generator 25 to create or update the merchandise catalog pages for the appropriate lots.");

setting a first bid status for the first lot to a value indicating that bids will be accepted for said first lot; setting a second bid status for the second lot to a value indicating that bids will be accepted for said second lot; at said first closing time, setting said first bid status to a value indicating that bids will not be accepted for said first lot, but said first bid status may subsequently be changed to a

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value indicating that bids will be accepted for said first lot - see col. 8, lines 1-14.;

Fisher do not disclose:

before said second closing time, determining whether a return to open trigger condition has occurred. Fraser however, shows ("Once When State processing has been initiated, no trader entries from the passive side are permitted and customers are blocked from entering on the active side... drive the system back to the Bid/Offer State preceding the trade")-see col. 11, lines 26-34. It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Fisher to include determining if the closed status should be changed to open status in order to allow bidders an opportunity to bid on any remaining items available.

if said condition has occurred, setting said first bid status to a status indicating that bids will be accepted for said first lot, and updating said first closing time so that it is subsequent to said second closing time. Frazer disclose ("the second interval timer provides both original Makers priority over customer...")-see cols. 11 and 12 in particular col. 12, lines 1-5. It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Fisher to include extending the time

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available to place a bid so as to give the bidders an opportunity to consider the lot and execute a bid.

Re claim 138: Further a system would have been necessary to perform the method of previously rejected claim 137 and is therefore rejected using the same art and rationale.

Response to Arguments

6. Regarding claims 137 and 138: In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., setting said bid status to a pending status for said lot at said closing time) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

Applicant's arguments with respect to claims 89, 91-94, 96-99, 103-115, 119-132, 134-135 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

7. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is

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reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Elda Milef whose telephone number is (571)272-8124. The examiner can normally be reached on Monday -Thursday 8:30 am to 4:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung Sough can be reached on (571)272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.


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